

EXHIBIT D



COPY

BY HAND

24 May 2021

Our Ref: CW/HTB/bt/ H3771.171091

Sentinel Reinsurance, Ltd
P.O. Box 10008
Willow House
Cricket Square
Grand Cayman KY1-1001
Cayman Islands

Dear Sirs

UBS SECURITIES LLC AND UBS AG LONDON BRANCH V HIGHLAND CAPITAL MANAGEMENT ET AL., SUPREME COURT OF THE STATE OF NEW YORK, CAUSE NO. 650097/2009 (THE "UBS ACTION")

We are instructed on behalf of Highland CDO Opportunity Master Fund, LP (the "**Insured**") and refer to the demand dated 19 March 2021 (the "**Demand**") made by our client under its Legal Liability Insurance policy (the "**Policy**") with Sentinel Reinsurance, Ltd. ("**Sentinel**") in relation to the UBS Action.

We further refer to the letter dated 28 April 2021 sent to (i) Mr Jan Neveril, Mr Damien Austin and Mr Mathew DiOrio in their capacities as directors of Sentinel and (ii) Mr Clayton Price as a representative of Sentinel's insurance manager, Beecher Carlson Cayman, Ltd (the "**Follow Up Demand**"). Copies of the correspondence are enclosed for your reference.

To date there has been no response to either the Demand or the Follow Up Demand. This is deeply unsatisfactory. Within five working days of this letter please provide

- (i) acknowledgment of this letter;
- (ii) acknowledgment of the Demand;
- (iii) acknowledgment of the Follow Up Demand;
- (iv) acknowledgment of coverage;
- (v) confirmation that there is no claims schedule to the Policy or appointed third party agent, as previously requested; and
- (vi) confirmation of any procedural requirements, if any, to be met by the Insured.

Please be advised that all rights are reserved including, but not limited to, engaging with the Cayman Islands Monetary Authority if correspondence continues to be ignored.

Yours faithfully


WALKERS

Direct Tel: +1 345 914 4215
Email: colette.wilkins@walkersglobal.com

CC Damien Austin
Jan Neveril
Beecher Carlson Cayman, Ltd

RECEIVED FROM WALKERS

Name: Dylan Wilfermuth

Company: Corey Olsen

Date: 24 May 2021

Time: 16:45

Signature: 

April 28, 2021

VIA PRIORITY AND ELECTRONIC MAIL

Sentinel Reinsurance, Ltd.
P.O. Box 10008
Willow House
Cricket Square
Grand Cayman KY1-1001
Cayman Islands
Attn: Mr. Damien Austin

Sentinel Reinsurance, Ltd.
P.O. Box 10008
Willow House
Cricket Square
Grand Cayman KY1-1001
Cayman Islands
Attn: Mr. Jan Neveril

Sentinel Reinsurance, Ltd.
P.O. Box 10008
Willow House
Cricket Square
Grand Cayman KY1-1001
Cayman Islands
Attn: Mr. Matthew DiOrio

Mr. Damien Austin
c/o International Management Services
P.O. Box 61
Harbour Centre
Grand Cayman KY1-1102
Cayman Islands
daustin@ims.ky

Mr. Jan Neveril
c/o Compass OFM Limited
3rd Floor, 18 Forum Lane
Camana Bay
Grand Cayman
Cayman Islands
admin@compassofm.com

Mr. Matthew DiOrio
7033 Cornelia Lane
Dallas, Texas 75214
MDiOrio@highgateconsultants.com

Beecher Carlson Cayman, Ltd.
Attn: Mr. Clayton Price
P.O. Box 10193
Helix Management Services
Anderson Square Building 5th Floor
64 Shedden Road
Grand Cayman
KY1-1002
Cayman Islands
cprice@beechercarlson.com

Re: *UBS Securities LLC and UBS AG London Branch v. Highland Capital Management, et al.*, Supreme Court of the State of New York, Cause No. 650097/2009

Dear Sirs:

I write on behalf of Highland CDO Opportunity Master Fund, L.P. (the “Insured”). On or about March 24, 2021, I sent you a formal demand (the “Demand”) seeking coverage under the Policy issued by Sentinel in favor of the Insured. The Demand was dated March 19, 2021.¹

¹ A copy of the Demand is attached hereto as Appendix A. All capitalized terms used but not defined herein have the meanings given to them in the Demand.

As I have not heard from Sentinel regarding the Demand, I thought it prudent to reach out to each of you as either a director of Sentinel or a representative of Sentinel's insurance manager, Beecher Carlson Cayman, Ltd. Please let me know immediately the status of the Demand and the timing of Sentinel's payment to CDO Fund of the amounts due under the Policy.

Also, I am not aware of a claims schedule to the Policy or an appointed third party agent. Please confirm there is no claims schedule to the Policy or appointed third party agent.

I can be contacted at jpseeryjr@gmail.com or via telephone at (631) 804-2049. I am available at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "JP Seery Jr.", with a stylized flourish at the end.

James P. Seery, Jr.
Highland CDO Opportunity Master Fund, L.P.
Authorized Signatory

Appendix A

March 19, 2021

VIA CERTIFIED MAIL

Sentinel Reinsurance, Ltd.
PO Box 1093
Boundary Hall, Cricket Square
Grand Cayman, KY1-1102, Cayman Islands

Re: Insured: Highland CDO Opportunity Master Fund, L.P.
Insurer: Sentinel Reinsurance, Ltd. ("Sentinel Reinsurance")
Policy: Legal Liability Insurance (the "Policy")
Policy Inception: August 1, 2017
Covered Action: *UBS Securities LLC and UBS AG London Branch v. Highland Capital Management, L.P., et al.*, Supreme Court of the State of New York, Cause No. 650097/2009

To Whom It May Concern:

On behalf of Highland CDO Opportunity Master Fund, L.P. (the "Insured"), I write to formally seek coverage under the Policy for the liability sustained by the Insured in connection with the lawsuit that was the subject of the Policy: *UBS Securities LLC and UBS AG London Branch v. Highland Capital Management, L.P., et al.*, Supreme Court of the State of New York, Cause No. 650097/2009 (the "UBS Action").

On November 14, 2019, the court in the UBS Action rendered a final Decision and Order after Trial, finding in favor of Plaintiffs UBS Securities LLC and UBS AG London Branch on their third and fourth cases of action against the Insured. The court entered the attached Judgment on February 10, 2020, granting Plaintiffs an overall judgment as of January 22, 2020 of \$1,039,957,799.44, plus interest per day thereafter of \$128,065 until entry of judgment. Of this amount, \$530,378,477.72, plus interest per day thereafter of \$65,313.08, is attributable to the Insured. The Judgment became final on October 14, 2020.

The Judgment in the UBS Action triggers coverage under Section 2.1 of the Policy. As the Insured's legal liability exceeds the limit of indemnity under the Policy, the Insured demands that Sentinel Reinsurance immediately tender the sum of \$100,000,000.00 to the Insured at the following address:

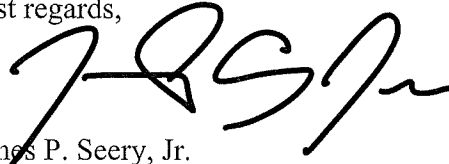
Highland CDO Opportunity Master Fund, L.P.
c/o Highland Capital Management, L.P.
300 Crescent Court, Suite 700
Dallas, Texas 75201
Attention: David Klos, Chief Financial Officer

March 19, 2021
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Wire instructions are available upon request.

We look forward to receiving Sentinel Reinsurance's prompt acknowledgment of coverage under the Policy and timely payment.

Best regards,

A handwritten signature in black ink, appearing to read 'JPSJr', with a stylized flourish at the end.

James P. Seery, Jr.
Highland CDO Opportunity Master Fund, L.P.
Authorized Signatory

Attachment: February 10, 2020 Judgment

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

UBS SECURITIES LLC and
UBS AG, LONDON BRANCH,

Plaintiffs;

- against -

HIGHLAND CAPITAL MANAGEMENT, L.P.,
HIGHLAND CDO OPPORTUNITY MASTER
FUND, L.P., HIGHLAND SPECIAL
OPPORTUNITIES HOLDING COMPANY,
HIGHLAND FINANCIAL PARTNERS, L.P.,
HIGHLAND CREDIT STRATEGIES MASTER
FUND, L.P., HIGHLAND CRUSADER
OFFSHORE PARTNERS, L.P., HIGHLAND
CREDIT OPPORTUNITIES CDO, L.P., and
STRAND ADVISORS, INC.,

Defendants.

Index No.: 650097/2009

FILED

Hon. Marcy S. Friedman
IAS Part 60

FEB 10 2020

COUNTY CLERK'S OFFICE
NEW YORK

~~RECEIVED~~ JUDGMENT

Plaintiffs UBS Securities LLC and UBS AG, London Branch, having filed a Complaint against Defendants Highland Capital Management, L.P., Highland CDO Opportunity Master Fund, L.P., Highland Special Opportunities Holding Company on February 24, 2009;

NOW, Plaintiffs UBS Securities LLC and UBS AG, London Branch having filed their Second Amended Complaint against Defendants Highland Special Opportunities Holding Company ("SOHC"), Highland CDO Opportunity Master Fund, L.P. ("CDO Fund," and together with SOHC, the "Fund Counterparties"), Highland Financial Partners, L.P., Highland Credit Strategies Master Fund, L.P., Highland Crusader Offshore Partners, L.P., Highland Credit Opportunities CDO, L.P., and Strand Advisors, Inc., which was consolidated with the claims set forth in Plaintiffs' June 28, 2010 Complaint against Defendant Highland Capital Management, L.P. (Index. No. 650752/2010);

NOW, the Court having held trial from July 9, 2018 through July 27, 2018, on (1) Plaintiffs' third and fourth causes of action against the Fund Counterparties, and (2) Defendant Highland Capital Management, L.P.'s counterclaims against Plaintiffs;

AND the Court having rendered a final Decision and Order after Trial on November 14, 2019, in which it found in favor of Plaintiffs UBS Securities LLC and UBS AG, London Branch on their third and fourth causes of action against the Fund Counterparties, and dismissed Defendant Highland Capital Management, L.P.'s counterclaims with prejudice;

IT IS NOW HEREBY ORDERED AND ADJUDGED that Plaintiffs UBS Securities LLC with an address of 677 Washington Blvd, Stamford, Connecticut, and 299 Park Avenue, New York, New York and UBS AG, London Branch with an address of Finsbury Avenue, London United Kingdom are granted a judgment of \$519,374,149 and entitled to prejudgment interest in the amount of 9% simple interest per year from the date of the breach, which the Court has determined is December 5, 2008, for an overall judgment as of January 22, 2020 of \$1,039,957,799.44, with additional interest per day thereafter of \$128,065 until entry of judgment, to be apportioned among Defendants as follows:

- (i) \$264,880,815.99 against Defendant Highland CDO Opportunity Master Fund, L.P. with an address of 52 Reid Street, Hamilton, Bermuda, plus \$265,497,661.73 in prejudgment interest, for a total judgment against Defendant Highland CDO Opportunity Master Fund, L.P. as of January 22, 2020 of \$530,378,477.72 with additional prejudgment interest per day thereafter of \$65,313.08 until entry of judgment in the total amount, ^{the sum of \$1,240,448.52, for} and it is ordered that Plaintiffs shall have execution ^{of \$531,169,426.24 x} thereof, provided that enforcement shall be stayed as to \$35,955,000 (51% of \$70.5 million); and

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(ii) \$254,493,333.01 against Defendant Highland Special Opportunities Holding Company with an address of Walker House, 87 Mary Street, George Town, Grand Cayman, Cayman Islands, plus \$255,085,988.72 in prejudgment interest, for a total judgment against Defendant Highland Special Opportunities Holding Company as of January 22, 2020 of \$509,579,321.73 with additional prejudgment interest per the sum of \$1,192,285.62, for day thereafter of \$62,751.78 until entry of judgment in the total amount, and it is of \$510,771,605.55 X ordered that Plaintiffs shall have execution thereof, provided that enforcement shall be stayed as to \$34,545,000 (49% of \$70.5 million).

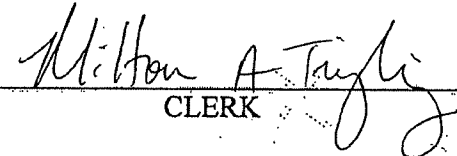
Dated: New York, New York
January 22, 2020

ENTER:


HON. MARCY S. FRIEDMAN, J.S.C.

FILED

FEB 10 2020


CLERK

COUNTY CLERK'S OFFICE
NEW YORK

NYSCEF DOC. NO. 646

RECEIVED NYSCEF: 02/10/2020

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

INDEX # 650097/2009

UBS Securities LLC, UBS AG, London Branch

Plaintiff(s)/Petitioner(s)

Against

*Highland Capital Management, L.P., Highland CDO
Opportunity Master Fund, L.P., Highland Special
Opportunities Holding Company, Highland Financial
Partners, L.P., Highland Credit Strategies Fund,
Highland Crusader Offshore Partners, L.P., Highland
Credit Opportunities CDO, L.P., Strand Advisors Inc.*

Defendant(s)/Respondent(s)

JUDGMENT

Attorney for the Prevailing Party

Latham & Watkins LLP
885 Third Avenue
New York, NY 10022
(212) 906-1200

Kirkland & Ellis LLP
601 Lexington Ave
New York, NY 10022
(212) 446-4800

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**FILED AND
DOCKETED**

FEB 10 2020

AT 10:20 AM
N.Y., CO. CLK'S OFFICE